

Terrence Crossley  
1012 Aetna Street  
Gary, IN 46403

Permit #RR45-19298  
District 1

**PROPOSED FINDINGS OF FACT  
AND CONCLUSIONS OF LAW**

**I.  
BACKGROUND OF THE CASE**

Terrence Crossley, 1012 Aetna Street, Gary, IN 46403, ("Permittee") filed his application for a new Alcohol and Tobacco Commission ("ATC") type 210 permit, Permit #RR45-19298. The ATC assigned the application for hearing before the Lake County Local Board ("LB"). After numerous continuances, the LB voted 4-0 to recommend denial of this application, the basis of the denial being 905 IAC 1-27-1 and IC 7.1-3-9-10, that the permittee does not maintain a high and fine reputation, and is not of good moral character and good repute in the community in which he or she resides. The ATC voted on November 20, 2001, to adopt the recommendation of the LB and denied the new permit.

The permittee filed a timely notice of appeal. The appeal was set before ATC Hearing Judge, Daniel M. Steiner ("HJ"), on April 30, 2002, at the Lake County Government Center, Crown Point, IN. The applicant was represented by counsel Charles Graddick, 504 Broadway, Suite 918, Gary IN 46402. At that time, witnesses were sworn, evidence was heard and the matter was taken under advisement. At this time, the HJ submits his Proposed Findings of Fact and Conclusions of Law to the ATC for consideration.

**II.  
EVIDENCE AT THE HEARING**

**A.  
WITNESSES**

The following witnesses were sworn and provided testimony at the appeal hearing:

1. Marilyn Krusas (Krusas), a Gary resident and City Councilperson, who stated that the area community group is opposed to this application, as they are trying to re-establish this community. Further, there are other ATC permittees in this area such as a VFW and a liquor store. On cross examination, she stated she would not be opposed to a "sit down" restaurant at this location, but not a bar. She also cited 905 IAC 1-27-4 as a basis for denial of this application.
2. Chris Julsrud (Julsrud), who stated he supports the Aetna Community and the LB recommendation to deny this application. Further, that the character, reputation and esteem of the permittee were properly considered by the LB, as they considered

numerous police reports about the Permittee and the permit premises that go back to 1994.

3. Corporal Newman (Newman) of the Gary Police Department, who testified he has removed minors from the permittee's clubs and also underage dancers. He further stated that the permittee has not represented himself in a responsible manner as a permittee. On cross-examination, he stated that he has not testified regarding other ATC permittees or applicants. Newman also stated he had reviewed a Gary City Court file, 45H-039910-CM3723, and it was charge of intimidation against the permittee. There is a pending appeal of a conviction for battery against the permittee but that is a different case that the one just cited. Finally, he said he has no personal ill will against the permittee.
4. Patricia Gonzalez (Gonzalez), a Gary resident, stated that the testimony of Newman is correct, to the best of her knowledge.

The permittee presented argument by his attorney that the convictions against him were for misdemeanors and that the appeals are, in fact still pending, but did not testify or present other evidence.

## B. EXHIBITS

There were no Exhibits presented at the hearing. The HJ took administrative notice of all matters in the ATC permit and violation files regarding this application and all matters at the LB hearing herein, including the audio tapes of the hearing and all Exhibits received at the hearing and the Appeal Hearing of Terrence Crossley, Application RR45-19298, 1012 Aetna Street, Gary, IN 46403.

## III. FINDING OF FACT

1. The Permittee, Terrence Crossley, filed an application for a new Alcohol and Tobacco Commission ("ATC") type 210 permit, Permit #RR45-19298. (ATC Permit File)
2. The Permittee filed his application for renewal of said permits and the applications were assigned to the LB for their review, the LB voted by a 4-0 margin to recommend denial of the renewals and the ATC voted to adopt the recommendations to deny the renewals. The permittee then filed a timely notice of appeal of the ATC action. (ATC Permit File)
3. At the LB hearings herein, the following Gary Police Department arrest reports relative to the Permittee were admitted: Report 00-17129, August 12, 2000, which stated that Terry Crossley was arrested on an outstanding Gary City Warrant under Warrant #F-525, Cause #45403-0006-VM-2241; Report 99-20936, October 8, 1999, which stated that Terry L. Crossley was arrested for battery; Report 96-15583, July 17, 1996, which stated that Terrence L. Crossley, owner of Joker's Club, was arrested for contributing to the delinquency of a minor; Report 96-9097, May 5, 1996, which stated that Terrence

Crossley was arrested for Intimidation and Fleeing and Resisting Law Enforcement; and, Report 96-11174, May 29, 1996, which stated that Terry L. Crossley was arrested for Illegal Liquor Sales to Minors. (Exhibits received at the LB Hearing herein)

4. That 905 IAC 1-27-1 states that:
  - i. “In determining an applicant’s or permittee’s eligibility to hold, renew or continue to hold a permit, particularly whether the applicant is of good moral character and or good repute, the Commission shall consider whether acts or conduct of the applicant, permittee or his employees or agents, would constitute action or conduct prohibited by the Indiana Penal Code (IC-35-41-1-1 et seq.), or a criminal offense under the laws of the United States. The Commission may also consider the esteem in which the person is held by members of his community, and such assessment of character as may reasonably be inferred from police reports, evidence admitted in court and commission proceedings, information contained in public records and other sources of information as permitted by IC 7.1-3-19-8 and IC7.1-3-19-10.” (905 IAC 1-27-1)
5. That the repeated problems of the permittee with criminal matters as reflected by the reports referred to Finding of Fact number 3 herein with the testimony of Newman at the ATC appeal hearing herein establish by substantial evidence that the permittee is not of good moral character or of good repute, and the lack of esteem which the permittee is held in the community as reflected by Julsrud in his testimony at the ATC Appeal herein, establish that there is substantial evidence to deny the renewal of the ATC applications herein. (LB hearing, ATC appeal hearing and 905-IAC 1-27-1)
6. Any Conclusion of Law included in the foregoing Findings of Fact shall be deemed part of the ATC’s Conclusions of Law.

#### IV. CONCLUSIONS OF LAW

1. Terrence Crossley is the holder of ATC type 210 permits, permit RR45-18307,5626 W. 5<sup>th</sup> Avenue, Gary, IN 46207; RR45-04139 2500 Jefferson Street, Gary, IN 46407: and, RR45-01236, 21 E. 35<sup>th</sup> Avenue, Gary, In 46409. (ATC permit files)
2. The LB found and had substantial evidence to find that these applications for renewal should be denied based on 905 IAC 1-27-1 that the permittee had failed to maintain a high and fine reputation. The evidence at the LB hearing and at the ATC appeal hearing further support the denial in that the evidence also supports a finding and conclusion that the permittee is not held in the proper esteem in his community and that he is not of good moral character. (LB hearing and ATC appeal hearing)
3. Therefore, the recommendation of the LB to recommend denial of this application and the adoption of that recommendation by the ATC is not (1) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (2) contrary to a constitutional

right, power, privilege, or immunity; (3) in excess of, or contrary to, statutory jurisdiction, authority, limitations, or rights; (4) without observance of procedure required by law; or (5) unsupported by substantial evidence. (IC7.1-3-19-11)

4. Any Finding of Fact included in the foregoing Conclusions of Law shall be deemed part of the ATC' Finding of Fact.

THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that the recommendation of the LB to deny these renewal applications and the adoption of the recommendations by the ATC should be, and the same hereby is, affirmed and the appeal of the permittee is denied and the applications herein are denied and the permits applied for therein are not renewed.

Date: \_\_\_\_\_

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Daniel M. Steiner, Hearing Judge